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TO: FCC
FROM: Kathy E. Gill
SUBJECT: Media Ownership Hearing

Federal Communications Commission
Office of the Secretary

My name is Kathy Gill, and I reside in Lynnwood, WA. I am commenting today as an unaffiliated public citizen – that is, I am not being paid to be here nor I have not been asked by any advocacy organization to appear at these proceedings. By way of background, I hold degrees in Journalism (BA) and Economics (MS).

I read with interest that the Federal Communications Commission (FCC) would be holding a hearing in Seattle on the issue of media ownership. I was impressed that the Commission had devoted the entire morning to the “hearing” – and I was expecting an agenda like those that the Federal Government held during the height of the ESA issues around owls – that the full 3+ hours would be devoted to public comment. Instead, I saw an agenda of discussion with a miserly 30 minutes for “public comment.” While “education” and “discussion of the issues” is a valid reason to convene a meeting on this topic, I find the characterization of the forum as an opportunity to obtain public input a charade. I do not expect to be allowed to present this orally, but am writing in the hopes that I will be able to submit it in person.

I thought long and hard about what I wanted to say. I could ply you with statistics – but I doubt I have access to any data that have not already been presented. What follows is a statement from the heart.

The current situation, which has changed due to the passage of the 1996 Telecommunications Act, is this:

The rules forbid one company from owning a city's TV stations, radio stations and newspaper; from merging two TV networks; or from reaching more than 35% of all TV households in the nation.

The FCC is proposing to “relax” these rules, to make it “easier” for corporations to monopolize a media market.

The Federal Government is charged, on behalf of her citizens, with overseeing the use of public goods, such as the airways used by TV and radio media. The corporations that broadcast over the public airways have been granted a “loan” by the citizens in exchange for commitment to serving the public interest.

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There can be no doubt that having concentrated control over media outlets in a given geographic area is contrary to the public interest and a functioning democracy.

It is contrary to Jefferson's admonition that

"An enlightened citizenry is indispensable for the proper functioning of a republic."

It is contrary to the 1969 Supreme Court ruling in *Red Lion v. FCC*, which others before me have referenced:

"It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market, whether it be by the Government itself or a private licensee. It is the right of the public to receive suitable access to social, political, esthetic, moral, and other ideas and experiences which is crucial here. That right may not constitutionally be abridged either by Congress or by the FCC."

Markets, be they of ideas or commerce, cannot operate freely in the presence of oligopoly or monopoly power. That's why markets that exhibit those characteristics are called "imperfect."

Technology has allowed us to redefine some "natural monopolies" such as long-distance telephone service, and, consequently, to stimulate "competition" for the consumer long-distance dollar. However, that competition exists only because government has insisted that the companies that own the telephone lines allow "competitors" to use those lines to provide long-distance service. If MCI, Sprint, AT&T et al had to each string a line to everyone's house in order to provide alternative long-distance service, we would not have "competition" in long distance service today.

This regulation was touted as "de-regulation" because it increased competition. It was, however, misnamed, because it is regulation. Telephone long distance service is a regulated market, and that market is what provides competition. This is an important concept when looking out for the public interest.

Likewise with media ownership in local markets, the government must ensure – through regulation – that a market exists where more than once voice can be heard on local and state issues. Those alternative viewpoints must be easily heard – providing public access channels to cable-only residents that broadcast viewpoints at 1 am are important, but do not serve the majority or mainstream that gets its news from networks at 6 pm.

At some point in the future, ease of access to global media may – emphasis on **may** -- make it possible for the internet to serve a valid role in informing citizens about national

or international issues. But that role depends on a much larger market penetration of computers in the homes and widespread access to broadband.

Even then, however, with everyone "wired", there will be little coverage of local events and issues by media outside of specific geography.

No Net outlet in Bangkok, San Francisco or Toronto will be covering issues such as our current Seattle City Light saga. Without local reporting, it is unlikely that the issues raised in this public utility would have seen the light of day.

And what national or international group will be interested in covering Washington's budget crisis, except, perhaps, in the general context of a "many states are having budget problems" story.

There is more than one possible "answer" to almost any public issue. However, issues such as these are inherently local, and they have nuances and varied solutions that will not reach the public ear or eye should one company control most of the media in the area. It just won't happen. There will be fewer reporters reporting ... and only one editorial position presented.

Isn't it bad enough that, for all practical purposes, America has become a land of "one-newspaper" per major city? Let us not also become the land of "one news channel owner" per city.

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http://www.cyberwriter.com/economics-opinions/FCC_7March2003.doc